



[Home](#) › [Statistics](#) › [Economy](#) › [Price indexes and inflation](#) › [Wage Price Index, Australia](#) › March 2022



This is not the latest release

[View the latest release](#)

Wage Price Index, Australia

The WPI measures changes in the price of labour, unaffected by compositional shifts in the labour force, hours worked or employee characteristics

Reference period March 2022

Released 18/05/2022

On this page

[Key statistics](#)

[Overview](#)

[Sector wage growth](#)

[Drivers of wage growth](#)

[Industry wage growth](#)

[State and territory wage growth](#)

[Survey impacts and changes](#)

[Data downloads](#)

[Using price indexes](#)

[Methodology](#)

[Media releases](#)

Key statistics

In March quarter 2022 the seasonally adjusted WPI:

- Rose 0.7% this quarter and 2.4% over the year.
- The private sector rose 0.7% and the public sector rose 0.6%.

Wage Price Index (WPI) Total hourly rates of pay excluding bonuses

	Dec Qtr 2021 to Mar Qtr 2022 % change	Mar Qtr 2021 to Mar Qtr 2022 % change
Trend(a)		
Australia	na	na
Private sector	na	na
Public sector	na	na
Seasonally Adjusted(b)		
Australia	0.7	2.4
Private sector	0.7	2.4
Public sector	0.6	2.2
Original		
Australia	0.6	2.4
Private sector	0.5	2.4
Public sector	0.6	2.2

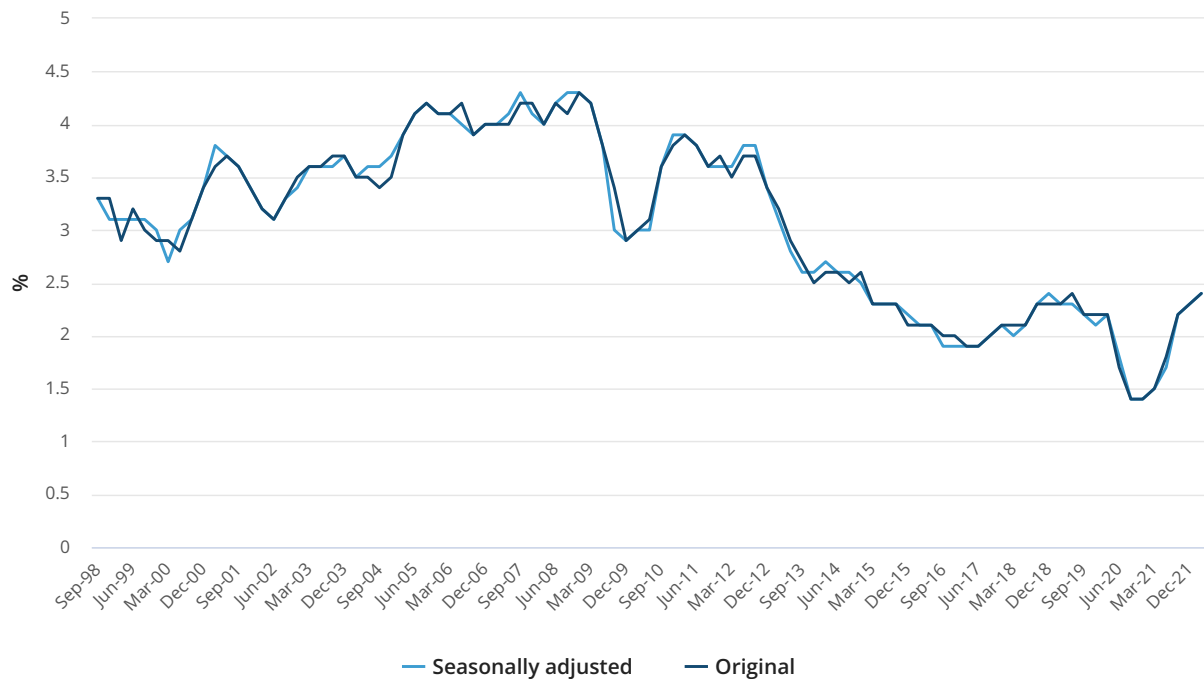
a. na - not available. See Suspension of the trend series (in Survey impacts and changes)

b. See Interpretation of index numbers, Seasonally adjusted indexes and Seasonal analysis on the Methodology page

Overview

Wages grew by 2.4% over the year to March quarter 2022, with the annual rate of growth rising in each of the last five quarters from a low point of 1.4% in December quarter 2020.

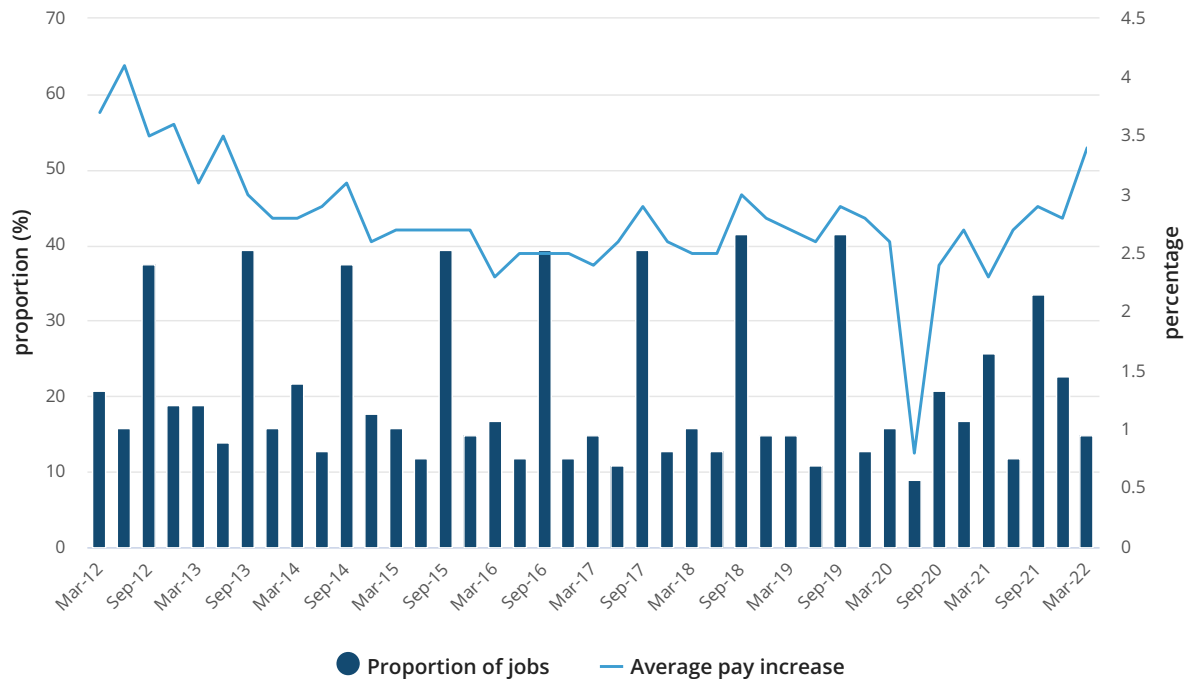
Annual wage growth - 1998 to 2022



Wage rises across the private sector were the main driver of wage growth over the quarter. Private sector wages grew by 0.7% for the quarter while public sector wages grew by 0.6%.

The average size of wage rises within the private sector increased while the proportion of jobs recording these rises dropped back to pre-pandemic March quarter levels, after being boosted by award-based jobs in March quarter 2021.

Components of wage growth in the private sector

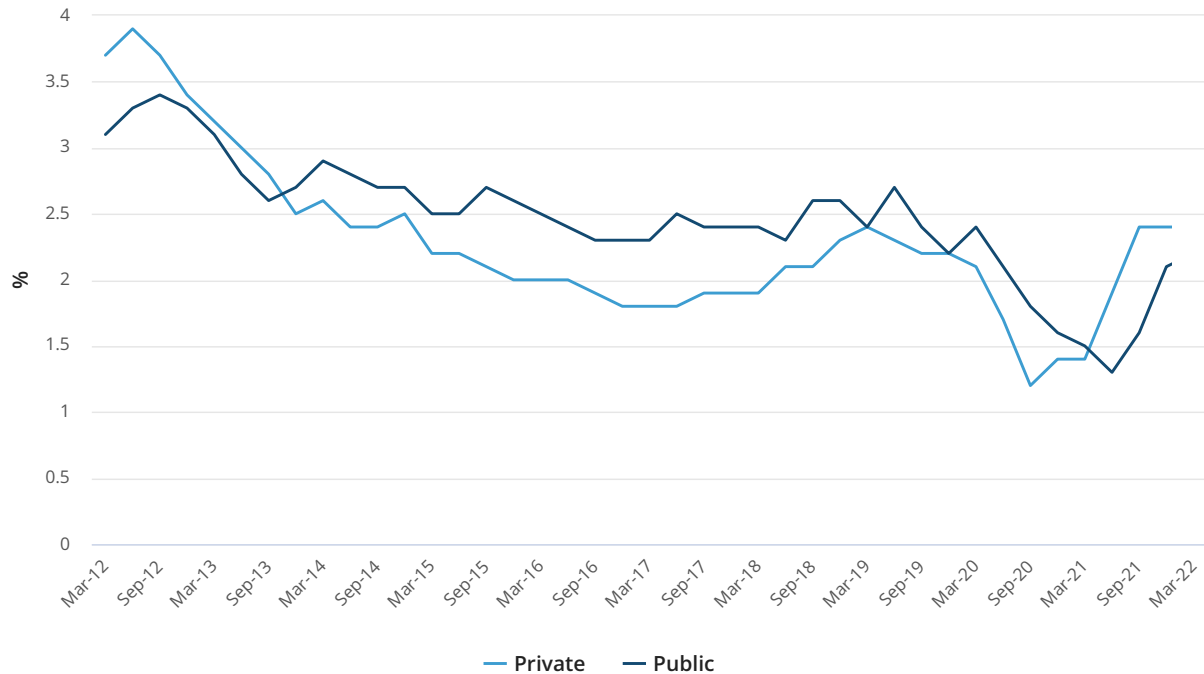


Sector wage growth

Private sector wages rose 2.4% annually, maintaining the same seasonally adjusted rate of growth since September quarter 2021.

Public sector wages grew 2.2% over the year to March quarter 2022. This is the third consecutive quarter in which the rate of growth has increased.

Annual wage growth by sector, seasonally adjusted



Private sector growth

Private sector wages grew 0.7% over the quarter. Regular annual wage and salary reviews drove wage growth for the sector, with a small number of larger increases paid to retain and attract in-demand skilled workers.

Public sector growth

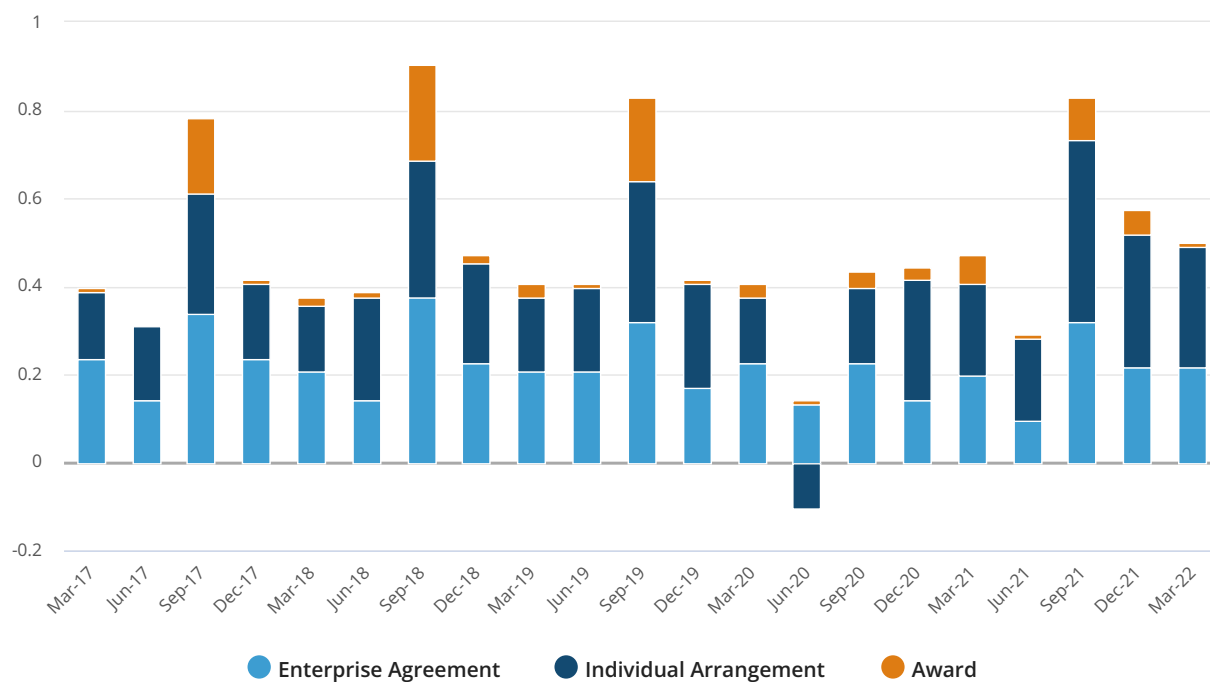
Public sector wages rose 0.6% over the quarter with a higher proportion of jobs receiving increases than in recent March quarters, due to timing changes for a few large enterprise agreements.

Drivers of wage growth

Jobs covered by individual arrangements continued to be the largest contributor to wage growth in recent quarters. Labour market pressures have provided a gradual upward

influence on the size of increases for a number of these market sensitive jobs over the last three quarters.

Contributions to wage price index, by method of setting pay



The contribution of enterprise agreements remained relatively consistent with previous March quarters, supported by regular public sector scheduled wage rises across the Education and training and Public administration and safety industries.

The contribution to growth from award jobs returned to a level consistent with historic March quarters. March quarter 2021 was higher than usual following the Fair Work Commission's Annual Wage Review 2019-20 decision which included a change to the usual timing of award wage increases.

Average size of increase and proportion of jobs with a wage change

The ABS has examined the average size of wage movements and the proportion of jobs recording a wage movement over the last 10 years to give further insight into these two components of wage growth in Australia.

The size of wage movements recorded across both the private and public sectors have followed a similar pattern over the last ten years, with the average size of wage movement in the public sector generally tracking below the private. The periods in which the average wage movements have more closely aligned coincide with times of spare capacity in the labour market.

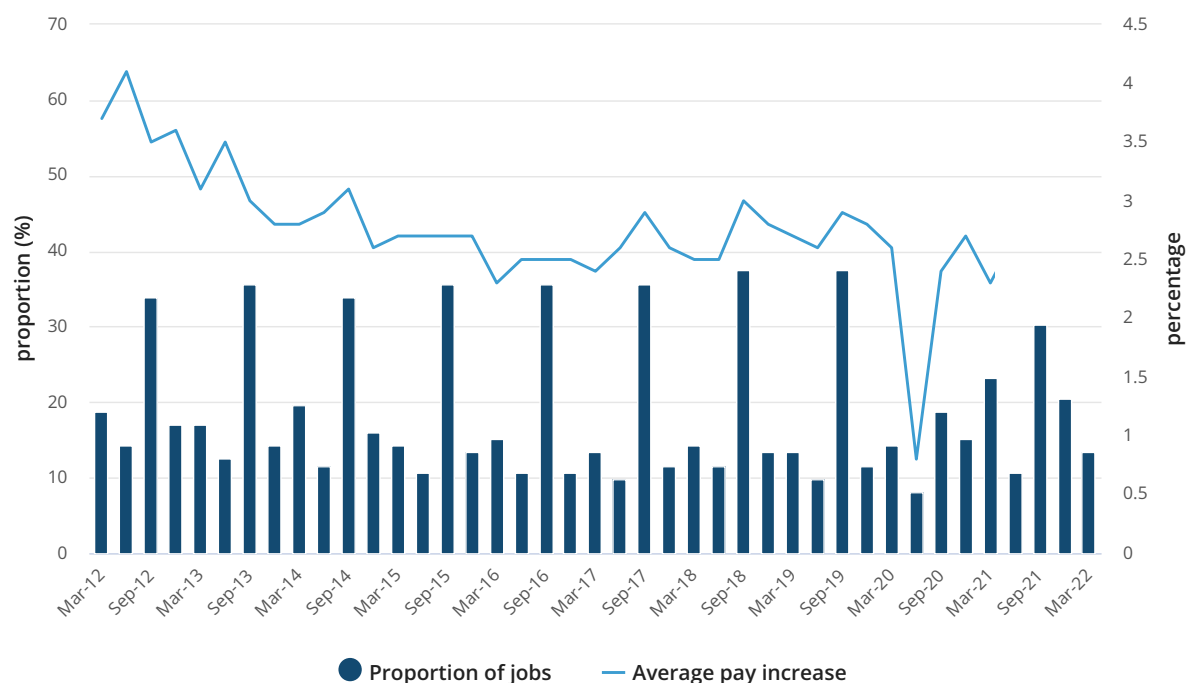
Private sector

Typically, a higher proportion of private sector jobs record a wage change in the September quarter, coinciding with the start/end of a financial year. This reflects both wage rises based around businesses outcomes, and, for award based jobs, the scheduled implementation of the Annual Wage Review.

After almost 5 years of relatively consistent average increases, the private sector responded quickly to the economic shock of the COVID-19 pandemic in June quarter 2020. Employers negotiated short-term wage reductions with employees, mostly for jobs covered by individual arrangements and wage freezes for those aligned with enterprise agreements. These wage reductions were unwound over the September and December quarters 2020 with average wage increases in the private sector returning to pre-pandemic levels during 2021.

In March quarter 2022 the average size of wage rises for private sector jobs was the highest seen since June quarter 2013. This increase was partially driven by a small proportion of in-demand market sensitive jobs recording large increases.

Components of wage growth in the private sector

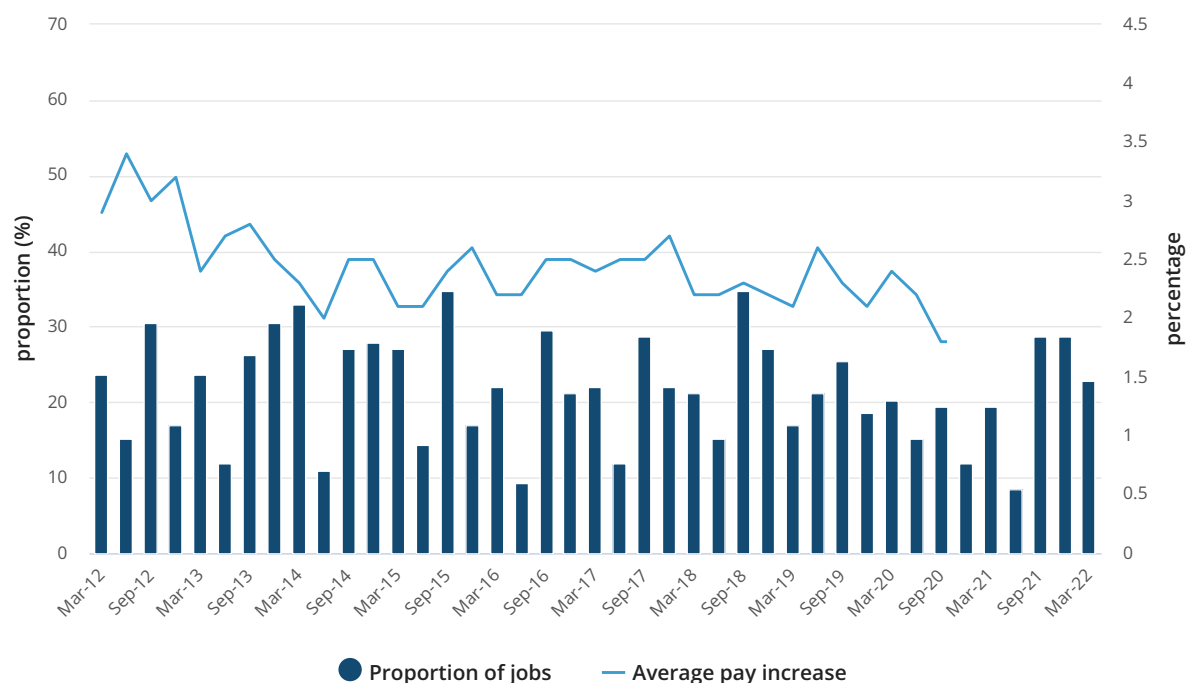


Public sector

Wage rises for public sector jobs are generally defined by enterprise agreements which can determine the timing and size of wage rises across many years. The timing of agreement related wage rises varies across the sector and is typically less aligned to business cycles within the broader labour market.

Over most of the last ten years the main contributor to public sector wage growth has been the proportion of jobs recording a wage change, as the average size of wage movement has remained between 2.0% and 2.5%. The proportion of public sector jobs receiving a pay rise can fall when there is an interruption between an enterprise agreement expiring and a new enterprise agreement coming into place. Over the most recent years, many public sector jobs have also been affected by wage freezes, particularly during the COVID-19 pandemic. Wage freezes and restraints implemented by the different levels of government in response to the pandemic have been removed gradually over the last year, contributing to an increase in the proportion of jobs reporting a wage rise since September quarter 2021.

Components of wage growth in the public sector

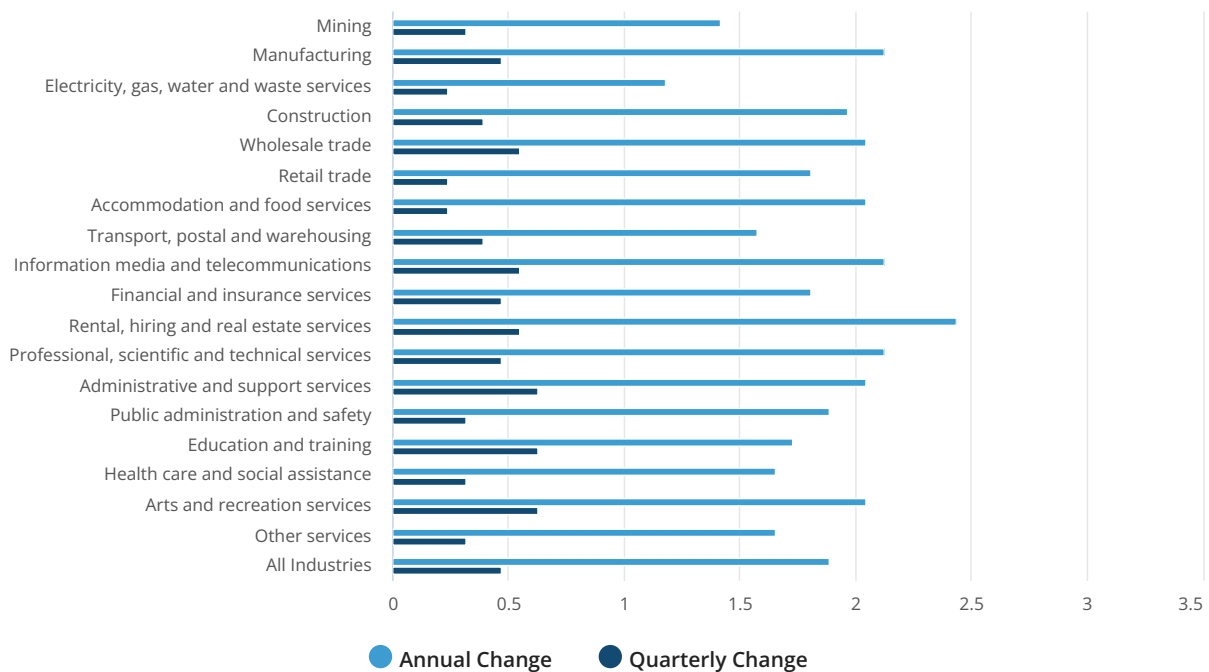


Industry wage growth

Original estimates:

- Administrative and support services, Education and training and Arts and recreational services industries all recorded the highest quarterly rate of growth (0.8%).
- Electricity, gas, water and waste services, Retail trade and Accommodation and food services industries recorded the lowest quarterly rate of growth (0.3%).
- The highest through the year growth was recorded in the Rental, hiring and real estate services industry at 3.1%. This is the highest annual rate of growth for the industry since June quarter 2013.
- Electricity, gas, water and waste services industry recorded the lowest annual rate of wage growth (1.5%) for the third consecutive quarter.

Annual and quarterly changes, original, total hourly rates of pay excluding

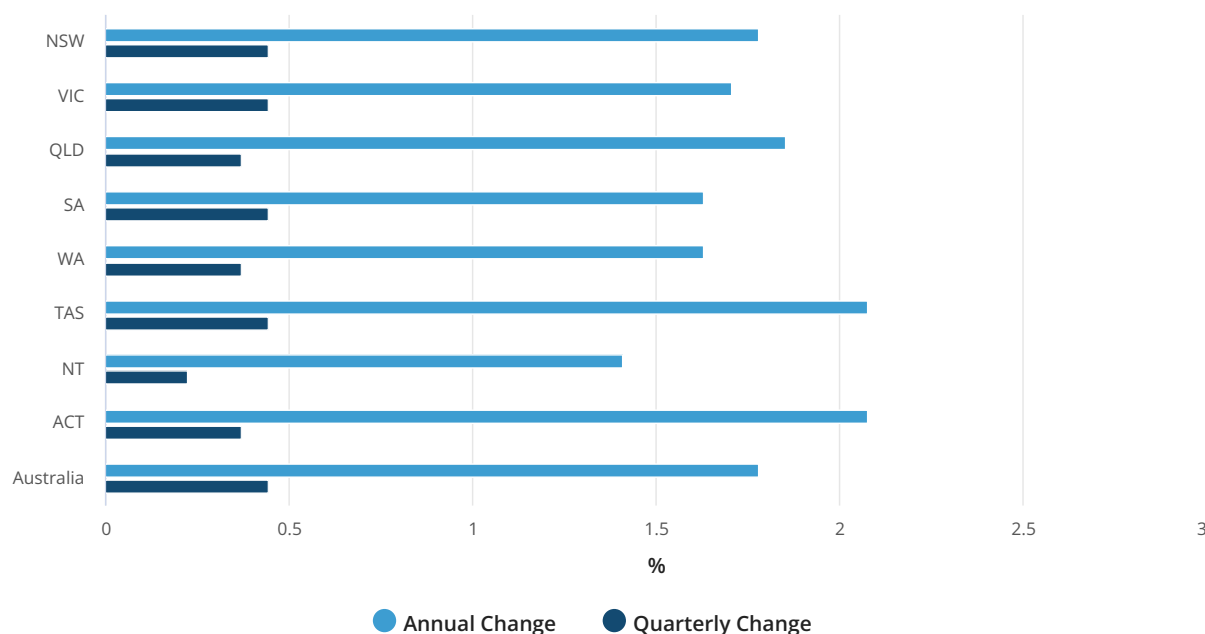


State and territory wage growth

Original estimates:

- New South Wales, Victoria, South Australia and Tasmania recorded the highest quarterly rise of 0.6%.
- Tasmania and the Australian Capital Territory had the strongest annual growth of 2.8%. This is the highest annual rate of growth for the Australian Capital Territory since June quarter 2013.
- The Northern Territory recorded the lowest quarterly growth rate at 0.3%, and the lowest through the year rate of growth at 1.9%.

Annual and quarterly changes, original, total hourly rates of pay excluding bonuses - states and territories



Survey impacts and changes

Suspension of the trend series

The Wage Price Index trend series was suspended from June quarter 2020 until more certainty emerges in the underlying trend in labour market activity over the COVID-19 period.

Update on seasonal adjustment methods

In the lead up to the June 2020 Wage Price Index release, the ABS advised that the method used to produce seasonally adjusted estimates would change from the "concurrent" method to the "forward factors" method during the COVID-19 period. The forward factors approach is better suited to managing large movements at the end point of series and ensures that these large movements do not have a disproportionate influence on

the seasonal factors.

Given the disruption to the labour market during the COVID-19 period and the continuing use of the forward factors method to seasonal adjustment, the ABS recently undertook an extensive annual review of its seasonally adjusted Wage Price Index series. This review followed similar reviews that are progressively being undertaken across the ABS economic statistics program, and the outcome for Wage Price Index was to continue using the forward factors method. Through this process static forward factors were calculated for the next 4 quarters and implemented in the June 2021 release.

Further information can be found in the ABS article published on 23 July 2020 ([Measuring the Wage Price Index during the COVID-19 pandemic \(/articles/methods-changes-during-covid-19-period\)](#)).

The seasonally adjusted Wage Price Index series will continue to use the forward factors method for the foreseeable future and are expected to return to using concurrent adjustment when the risk of disruption from COVID-19 becomes sufficiently low.

Data downloads

Changes to Excel file format on the ABS website

In line with updating to more recent technology formats, the ABS will progressively transition to releasing Excel files in the .XLSX format. This means that timeseries spreadsheets in the suite of prices statistics releases will be progressively upgraded from .XLS files to .XLSX files.

While this change will improve usability, it may also require changes to automated macros or similar programs that users may have in place that call on the current file extension format.

For Wage Price Index products, this change will take effect from the release of December data on 23 February 2022. Previously released data will not change.

I-Note

The wage price indexes in Tables 1, 2b, 3b, 4b, 5b, 7b, 8b and 9b are updated and released every quarter. The corresponding financial year wage price indexes in Tables 2a, 3a, 4a, 5a, 7a, 8a and 9a are updated and released each June quarter for the preceding financial year.

There are no financial year indexes created for Table 1.

Time series spreadsheets

⬇ Download all (1.15 MB)

Table 1. Total hourly rates of pay excluding bonuses: sector, original, seasonally adjusted and trend

⬇ [Download XLSX](#)
[66.09 KB]

Table 2a. Total hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)

⬇ [Download XLSX](#)
[51.1 KB]

Table 2b. Total hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)

⬇ [Download XLSX](#)
[65.03 KB]

Table 3a. Total hourly rates of pay excluding bonuses: private sector by state, original (financial year index numbers for year ended June quarter)

⬇ [Download XLSX](#)
[51.1 KB]

Table 3b. Total hourly rates of pay excluding bonuses: private sector by state, original (quarterly index numbers)

⬇ [Download XLSX](#)
[65.07 KB]

Table 4a. Total hourly rates of pay excluding bonuses: public sector by state, original (financial year index numbers for year ended June quarter)

⬇ [Download XLSX](#)
[51.13 KB]

Table 4b. Total hourly rates of pay excluding bonuses: public sector by state, original (quarterly index numbers)

⬇ [Download XLSX](#)
[65.48 KB]

Table 5a. Total hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)

⬇ [Download XLSX](#)
[75.12 KB]

Table 5b. Total hourly rates of pay excluding bonuses: sector by industry,

original (quarterly index numbers)

[↓ Download XLSX](#)
[143.35 KB]

Table 7a. Hourly rates of pay including bonuses: sector, original (financial year index numbers for year ended June quarter)

[↓ Download XLSX](#)
[49.01 KB]

Table 7b. Hourly rates of pay including bonuses: sector, original (quarterly index numbers)

[↓ Download XLSX](#)
[58.29 KB]

Table 8a. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)

[↓ Download XLSX](#)
[51.09 KB]

Table 8b. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)

[↓ Download XLSX](#)
[65.11 KB]

Table 9a. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)

[↓ Download XLSX](#)
[75.05 KB]

Table 9b. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (quarterly index numbers)

[↓ Download XLSX](#)
[143.28 KB]

All WPI series: original (quarterly index numbers)

[↓ Download XLSX](#)
[135.77 KB]

All WPI Series: original (financial year index numbers for year ended June quarter)

[↓ Download XLSX](#)
[86.26 KB]

All time series spreadsheets

[↓ Download ZIP](#)
[1.14 MB]

Data cubes - 6345.0 Distribution of expenditure on wages, wage price index,

Australia

↓ [Download XLSX](#)
[159 KB]

Create your own tables and visualisations with Data Explorer

Caution: Data in Data Explorer is currently released after the 11:30am release on the ABS website. Please check the reference period when using Data Explorer.

[Wage Price Index \(https://explore.data.abs.gov.au/vis?fs\[0\]=ABS%20Topics%2C1%7CECONOMY%23ECONOMY%23%7CPrice%20Indexes%20and%20Inflation%23PRICE_INDEX_INFLATION%23&pg=0&fc=ABS%20Topics&df\[ds\]=ABS_ABS_TOPICS&df\[id\]=WPI&df\[ag\]=ABS&df\[vs\]=1.0.0&pd=2020-Q1%2C2021-Q2&dq=.THRPEB..TOT..AUS.Q&ly\[cl\]=MEASURE&ly\[rw\]=TIME_PERIOD&ly\[rs\]=TSEST%2CSECTOR&lo=1\)](https://explore.data.abs.gov.au/vis?fs[0]=ABS%20Topics%2C1%7CECONOMY%23ECONOMY%23%7CPrice%20Indexes%20and%20Inflation%23PRICE_INDEX_INFLATION%23&pg=0&fc=ABS%20Topics&df[ds]=ABS_ABS_TOPICS&df[id]=WPI&df[ag]=ABS&df[vs]=1.0.0&pd=2020-Q1%2C2021-Q2&dq=.THRPEB..TOT..AUS.Q&ly[cl]=MEASURE&ly[rw]=TIME_PERIOD&ly[rs]=TSEST%2CSECTOR&lo=1))

For information on Data Explorer and how it works, see the [Data Explorer user guide \(/about/data-services/data-explorer/data-explorer-user-guide\)](/about/data-services/data-explorer/data-explorer-user-guide).

Previous catalogue number

This release previously used catalogue number 6345.0.

Using price indexes

Price indexes in contracts

Price indexes published by the Australian Bureau of Statistics (ABS) provide summary measures of the movements in various categories of prices over time. They are published primarily for use in Government economic analysis. Price indexes are also often used in contracts by businesses and government to adjust payments and/or charges to take account of changes in categories of prices (Indexation Clauses).

[Use of Price Indexes in Contracts \(https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Inflation+and+Price+Indexes+-+Use+of+Price+Indexes+in+Contracts\)](https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Inflation+and+Price+Indexes+-+Use+of+Price+Indexes+in+Contracts) sets out a range of issues that should be taken into account by parties considering the inclusion of an Indexation Clause within a contract utilising an ABS published price index.

Frequently asked questions

The [Wage Price Index FAQs \(https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Wage+Price+Indexes+FAQs\)](https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Wage+Price+Indexes+FAQs) page has answers to a number of common questions to do with price indexes and the Wage Price Index, in particular.

Methodology

[Wage Price Index, Australia methodology, March 2022](#)